REMARKS

This amendment is being filed in response to the Office Action having a mailing date of November 2, 2006. Claims 1-2, 16, and 19 are amended as shown. New claim 21 has been added. No new matter has been added. With this amendment, claims 1-21 are pending in the application.

Supplemental Information Disclosure Statement (IDS)

A supplemental IDS was electronically filed on November 20, 2006, including a listing of four (4) U.S. patent references and the appropriate 3-month certification. It is kindly requested that this supplemental IDS be entered and considered, and that an initialed copy of the supplemental IDS be returned with the next communication, so as to confirm that the 4 patent references listed thereon have been considered.

Substance of the Interview

The present Office Action included an Interview Summary (form PTOL-413), which indicated that the present response to the Office Action must include a Substance of the Interview. Accordingly, the Substance of the Interview is as follows:

Examiner Doan contacted the applicant's attorney (Dennis M. de Guzman) by telephone on October 12, 2006 and proposed some combinations of claim limitations that would place the application in condition for allowance. Mr. de Guzman explained that he would have to contact the overseas applicant in order to discuss Examiner Doan's proposed amendments and to obtain authorization. Examiner Doan then provided a list of four patent references that he believed would be the basis of rejection in a subsequent Office Action, should the applicants decide to reject the Examiner's proposed amendment, so that the applicants could better evaluate their position.

Mr. de Guzman subsequently telephoned Examiner Doan on October 17, 2006 and informed him that the applicants had decided to reject Examiner Doan's proposed amendments, believing that the resulting claims would be too narrow in scope. Mr. de Guzman

did provide Examiner Doan with a counter-proposal for claim combinations/amendments, which Examiner Doan agreed to consider and provide Mr. de Guzman an answer after consideration.

On October 18, 2006, Examiner Doan telephoned Mr. de Guzman and informed him that he is unable to accept Mr. de Guzman's proposed claim amendments, and proposed yet a different set of claim combinations for consideration by the applicants. Mr. de Guzman responded by indicating that the applicant may not be able to provide a timely response to Examiner Doan at that point and that the proposed claim amendments would likely be rejected by the applicants anyways. Accordingly, Examiner Doan and Mr. de Guzman agreed that the official mailing of an Office Action would be the best option at that point to facilitate prosecution of the application, so that the applicants can fully review and analyze the Office Action, cited references, and claims.

Mr. de Guzman and the applicants express their thanks to Examiner Doan for taking the time and effort described above to try to reach an agreement on the claims. It is hoped that such cooperation between the parties can continue throughout prosecution of this application.

III. Discussion of the claims and cited references

The present Office Action rejected claims 1, 2, and 5 under 35 U.S.C. § 102(e) as being anticipated by MacLellan (U.S. Patent No. 6,456,668). Claims 8-14 and 16-20 were rejected under 35 U.S.C. § 102(e) as being anticipated by Ward (U.S. Patent No. 6,943,680). Claims 3-4 and 6 were rejected under 35 U.S.C. § 103(a) as being unpatentable over MacLellan in view of Ward. Claim 7 was rejected under 35 U.S.C. § 103(a) as being unpatentable over MacLellan in view of Caronni (U.S. Patent No. 6,920,330). Claim 15 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Ward in view of Caronni. For the reasons set forth below, these rejections are respectfully traversed.

By way of initial discussion and as described throughout the present application, a feature of one embodiment disclosed by the applicants is to provide communication capability between two electromagnetic transponders that are present in the electromagnetic field of a read/write terminal from which said transponders draw their power supply. Such feature is reflected in some form in the various claims, as will be explained below.

For example, independent claim 5 recites, *inter alia*, that each <u>transponder</u> comprises "means for <u>demodulating and decoding signals transmitted by another transponder in modulation of a sub-carrier at a second frequency." Such features are not disclosed, taught, or suggested by any of the cited references.</u>

For instance, Figure 1 of MacLellan discloses a duplex radio communication system in which an interrogator and a tag (transponder) communicate with each other. The tag is of course able to demodulate the signal coming from the terminal (interrogator) and is in return able to send information to the interrogator. However, MacLellan does not suggest that his tag can demodulate and decode a signal (in modulation by a sub-carrier) transmitted by another transponder, as recited in claim 5.

As another example, Figure 4 of Ward shows an interrogator 116 and a transponder 117. Like MacLellan, Ward discloses a system in which the interrogator 116 and transponder 117 can communicate with each other. However, there is nothing disclosed, taught, or suggested in Ward that his transponder 117 can communicate with another transponder. Indeed, the only details of the transponder 117 shown in Figure 4 of Ward is a coil 118 and a capacitor—the various circuit blocks shown in Figure 4 belong to the interrogator 116 and not to the transponder 117.

Accordingly, claim 5 is allowable.

Addressing now the other independent claims, independent claim 8 recites the elements of a transponder: first, second, third, and fourth circuits. In rejecting claim 8, page 4 of the present Office Action interpreted (from Ward's Figures 4-5) the elements 180/346 as the claimed second circuit, the elements 190/348 as the claimed third circuit, and the elements 200/350 as the claimed fourth circuit. However, it is clear from Figures 4-5 and the accompanying description in Ward that such elements are part of the interrogator116/302 and transponder117/304. Accordingly, Ward does not meet the limitations of claim 8 directed towards a transponder.

Ward and MacLellan (whether singly or in combination with the other references) also do not meet the specific limitations of claim 8 that specify a transponder having a third circuit to receive a third signal from another transponder. As previously explained above, Ward and MacLellan only provide communications between a transponder and an interrogator, and not between transponders.

Thus, claim 8 is allowable.

Independent claim 16, in its previous form, was believed to be allowable since it recited, *inter alia*, "receiving a third signal having a third frequency from another transponder." As previously explained above, none of the cited references disclose, teach, or suggest these features. To facilitate prosecution and to further distinguish over the cited references, claim 16 is amended as shown to clarify that the various elements in the claimed method are being performed at the transponder, thereby further clarifying that there are two transponders involved with respect to the third signal: "said transponder" and "another transponder." Claim 16 is thus further allowable.

Independent claim 19, in its previous form, was believed to be allowable since it recited, inter alia, "means for receiving a third signal having a third frequency from another transponder." As previously explained above, none of the cited references disclose, teach, or suggest these features. To facilitate prosecution and to further distinguish over the cited references, claim 19 is amended as shown to clarify that the various means-plus-function elements in the claimed system are present in the transponder, thereby further clarifying that there are two transponders involved with respect to the third signal: "said transponder" and "another transponder." Claim 19 is thus further allowable.

New dependent claim 21 has been added. Claim 21 recites, *inter alia*, "said transponder and said another transponder being in a same electromagnetic field of said terminal means as provided by said first signal." Such features are not disclosed, taught, or suggested by any of the cited references, since the cited references describe communications between an interrogator and a transponder, and not communication between transponders in the same electromagnetic field of a terminal as recited in claim 21. Therefore, claim 21 is allowable.

Independent claim 1 as amended recites, *inter alia*, a transponder having "means for demodulating signals transmitted by another transponder and modulated by said sub-carrier and means for decoding said signals." None of the cited references meet these limitations. For instance, MacLellan and Ward both disclose systems and techniques involving communication between a transponder and an interrogator, but not communication between transponders, specifically the "means for demodulating signals transmitted by another transponder and modulated by said sub-carrier and means for decoding said signals" as recited in claim 1.

Claim 1 is thus allowable. Dependent claim 2 is amended to make its language consistent with amended claim 1.

IV. Conclusion

Overall, none of the references singly or in any motivated combination disclose, teach, or suggest what is recited in the independent claims. Thus, given the above amendments and accompanying remarks, the independent claims are now in condition for allowance. The dependent claims that depend directly or indirectly on these independent claims are likewise allowable based on at least the same reasons and based on the recitations contained in each dependent claim.

If the undersigned attorney has overlooked a teaching in any of the cited references that is relevant to the allowability of the claims, the Examiner is requested to specifically point out where such teaching may be found. Further, if there are any informalities or questions that can be addressed via telephone, the Examiner is encouraged to contact the undersigned attorney at (206) 622-4900.

The Director is authorized to charge any additional fees due by way of this Amendment, or credit any overpayment, to our Deposit Account No. 19-1090.

Application No. 10/712,325 Reply to Office Action dated November 2, 2006

All of the claims remaining in the application are now clearly allowable. Favorable consideration and a Notice of Allowance are earnestly solicited.

Respectfully submitted,
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